

VZCZCXYZ0012
PP RUEHWEB

DE RUEHTV #1218/01 1160517
ZNR UUUUU ZZH
P 260517Z APR 07
FM AMEMBASSY TEL AVIV
TO RUEHC/SECSTATE WASHDC PRIORITY 0726
RHEHAAA/WHITE HOUSE WASHDC PRIORITY
RHEHNSC/WHITE HOUSE NSC WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUEAHQA/HQ USAF WASHINGTON DC PRIORITY
RUEADWD/DA WASHDC PRIORITY
RUENAAA/CNO WASHINGTON DC PRIORITY
RHEFDIA/DIA WASHINGTON DC PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RUEHAD/AMEMBASSY ABU DHABI PRIORITY 2018
RUEHAS/AMEMBASSY ALGIERS PRIORITY 8757
RUEHAM/AMEMBASSY AMMAN PRIORITY 1977
RUEHAK/AMEMBASSY ANKARA PRIORITY 2824
RUEHLB/AMEMBASSY BEIRUT PRIORITY 2013
RUEHEG/AMEMBASSY CAIRO PRIORITY 9874
RUEHDM/AMEMBASSY DAMASCUS PRIORITY 2756
RUEHLO/AMEMBASSY LONDON PRIORITY 9657
RUEHFR/AMEMBASSY PARIS PRIORITY 0133
RUEHRB/AMEMBASSY RABAT PRIORITY 6739
RUEHRO/AMEMBASSY ROME PRIORITY 4138
RUEHRH/AMEMBASSY RIYADH PRIORITY 9036
RUEHTU/AMEMBASSY TUNIS PRIORITY 3232
RUCNDT/USMISSION USUN NEW YORK PRIORITY 5158
RUEHJM/AMCONSUL JERUSALEM PRIORITY 6613
RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY
RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY
RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 001218

SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XXXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

SIPDIS
E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

[1](#)1. Mideast

[1](#)2. US-Israel Relations

Key stories in the media:

Similar to other media, Ha'aretz quoted senior IDF officers as saying that on Tuesday the IDF foiled a Hamas attempt to kidnap a

soldier on the Gaza border. Apparently as part of this attempt, dozens of rockets and mortar shells -- for which Hamas claimed responsibility -- were fired at southern Israel. There were no casualties. The Jerusalem Post said that Hamas has adopted Hizbullah's modus operandi. Yediot reported that Israeli intelligence sources made the same comment. Ha'aretz said that GOI and army sources predicted that Israel's response would be localized and not involve a major ground operation in Gaza because no one was hurt and due to pleas for calm by members of the Palestinian government. Ha'aretz quoted the sources as saying that Hamas's claim of responsibility -- the first since it formed a unity government with Fatah -- should make it clear to all that this is a terrorist government. On the other hand, Yediot reported that the IDF recommends that offensive Israeli activity in the Gaza Strip be resumed. The Jerusalem Post reported that today the IDF plans to ask PM Ehud Olmert for permission to carry out "pinpoint" operations against Gaza-based Hamas terrorist chiefs and infrastructure. For its part, Maariv reported that the IDF's Southern Command is pushing for such a move, but that the Shin Bet is opposed to it.

Israel Radio cited the UAE newspaper Al-Ittihad as saying that a senior German intelligence official ("Mayer") is presently in the Middle East, secretly mediating between Israel and Lebanon to promote a deal with Hizbullah. Al-Ittihad quoted Lebanese sources as saying that the negotiations have stalled following Israel's refusal to release Lebanese prisoners in exchange for a sign of life from the two abducted IDF soldiers. The Lebanese sources were quoted as saying that the Hizbullah-Israel deal will be completed by the end of the summer.

Yediot reported that the Winograd Commission probing the Second Lebanon War will hand its report to Olmert only two hours before its publication. Maariv reported that the printing of the commission's report will be supervised by the Shin Bet for fear of leaks. Maariv reported that the "Civilian Coalition" head by Uzi Dayan, the head of the Tafnit movement, is planning a demonstration in Tel Aviv on May 3 after the publication of the commission's report, regardless of its conclusions.

The Jerusalem Post reported that a senior IDF officer told the newspaper over the weekend that, despite protests by Green groups and orders by Defense Minister Amir Peretz to come up with "technological alternatives," the IDF has decided there is no choice but to construct a physical structure along the 30 kilometers of the security barrier that run through the Judean Desert.

Leading media reported that on Tuesday thousands of settlers and right-wing activists streamed to the ruins of the settlement of Homesh in the northern West Bank despite a ban by the Defense Minister and the IDF Chief of Staff. The IDF refused to allow buses to the site to take demonstrators back and sources estimated that about 100 activists remained at the site last night. The IDF tried to set up road-blocks to stop the march, but there were limited troops in the area, and they could only prevent vehicles from reaching the site. Ha'aretz also reported that settlers have recently been trying to purchase two more Palestinian houses in Hebron.

Yediot quoted associates of MK Ami Ayalon, a leading contender for Labor Party leadership, as saying that Ayalon agrees to return the Golan Heights to Syria -- provided it lease the land to Israel for 99 years.

The Jerusalem Post reported that the Labor Party's central committee is expected to convene next month to consider leaving Olmert's coalition, but that Olmert is taking steps to ensure his government does not fall even if the committee unexpectedly approves the proposal. The Jerusalem Post wrote that Olmert held a secret meeting at the Prime Minister's Office on Sunday with Degel Hatorah MK Avraham Ravitz and made significant progress on a plan to allow Degel Hatorah MKs Ravitz and Moshe Gafni to join the government without their four Agudat Yisrael colleagues from United Torah Judaism.

Yediot reported that the State Comptroller deleted a key article in its report about irregularities committed at the Trade Ministry's Investment Center at the time Olmert was Minister of Industry, Trade, and Labor.

Israel Radio reported that this morning the ministerial committee on disengagement allocated 640 million more shekels (approx. USD 157 million) in compensation to Gush Katif (Gaza Strip) evacuees.

Ha'aretz reported that, three months after Avigdor Lieberman was appointed national infrastructure minister in Ariel Sharon's cabinet a company owned by businessman Michael Cherney (a.k.a. Mikhail Chernoy), known as the "Russian oligarch," transferred about USD 500,000 to bank accounts of Lieberman associates in Cyprus. Yediot reported that Lieberman is interested in operating the confidential "Nativ Bureau" in the United States in order to encourage Russian Jews to immigrate to Israel. Yediot reported that the Foreign Ministry is opposed to such a move, saying that it would anger the US administration, and that Lieberman wants a "foreign ministry of his own" in the US.

Maariv reported that three public Israeli bodies have entrusted Eyal Sivan, a left-wing Israeli director who dubbed Israel a "historic mistake," with the making of an official documentary for the 60th anniversary celebrations of the State of Israel. Maariv wondered whether Israel has chosen to commit a "national suicide."

The nationalist, Orthodox newspaper merged with its sister publication, the weekly Makor Rishon ("First Source"), and is being published as Makor Rishon-Hatzofe starting today. The newspaper reported that Egypt and Saudi Arabia are trying to convince Syria to take part in a conference that will take place in Sharm-el-Sheikh next week. Makor Rishon-Hatzofe cited the London-based Al-Hayat that the two Arab states will try to arrange a meeting between Secretary of State Condoleezza Rice and her Syrian counterpart Walid

SIPDIS
Muallem.

The Jerusalem Post quoted Democratic presidential contender Barack Obama as saying on Tuesday that America needs to ask Israel to help change the status quo in its conflict with the Palestinians, the only candidate at a National Jewish Democratic Council conference to suggest that there is any onus on Israel when it comes to making peace with its neighbors.

The Jerusalem Post reported that on Monday two US Congressmen -- Gary Ackerman (D-NY), Chairman of the house Foreign Affairs Subcommittee on the Middle East, and Shelley Berkley (D-NV) -- protested to British officials the boycott against Israel by a UK-journalists' union and the dropping of some of Holocaust curricula in some British schools.

The Jerusalem Post reported that a Middle East dialogue session held at New York University "took place without the protests and the uproar typical of such events on campuses across America."

Yediot reported that the Defense Ministry is building a 300-meter-high tower at the site of the Dimona nuclear reactor.

Ha'aretz printed an AP wire report that on Tuesday Alberto de Jesus, a well-known Puerto Rican activist, was under Israeli house arrest after he climbed a tower near the separation fence and planted a Palestinian flag on it during the weekly protest at Bil'in.

The Jerusalem Post printed a Jewish Telegraphic Agency wire report that Boris Yeltsin, who died on Monday at age 76, is remembered by Russian Jewish leaders primarily as the man who ended generations of state-sanctioned anti-Semitism.

Yediot reported that over the past decade the Jewish Federation in New York contributed USD 1 billion to Israeli society and to fund immigration to Israel.

Yediot reported that Kobi Alexander, founder of the Israeli hi-tech company Converse, will be brought to a hearing before a Namibian court today as part of procedures to have him extradited to the US. In an unrelated report, Yediot wrote that a mentally imbalanced Israeli managed to enter the US without a passport.

The Jerusalem Post reported that Delek US Holdings Inc., the US refiner that had its initial share sale last May, plans to acquire

plants shed by bigger rivals to capitalize on high fuel prices. Delek US Holdings Inc. is 77 percent-owned by the Israeli Delek Group, and also operates about 500 US convenience stores.

Yediot reported that Israelis will help eliminate the haze that shrouds Los Angeles following sand- and dust-storms. Equipment made by the Israeli company. Netafim and Kibbutz Dorot will be brought to the site of the dried up Owens Lake, where the phenomenon originates.

Major media reported that in Houston on Monday a frenzied neighbor shot and wounded an Israeli diplomat, the husband of Israel's Deputy Consul-General to the Southwest, Belaynesh Zevadia -- the first member of the Ethiopian-Israeli community to be appointed to such a post. The assailant murdered the manager of the building before committing suicide.

11. Mideast:

Summary:

The independent, left-leaning Ha'aretz editorialized: "[Pakistani President Pervez Musharraf's] initiative and daring deserve much more than the arrogance with which they were met by the Prime Minister."

Military correspondent Amos Harel and Palestinian affairs correspondent Avi Issacharoff wrote in Ha'aretz: "It seems the only thing that can save the Gazans from civil war is a large-scale Israeli military operation."

Military correspondent Amir Rappaport wrote in the popular, pluralist Maariv: "We can only hope that if the IDF is sent to a large-scale ground operation in the Gaza Strip, an operation that could cost many casualties, this will not be for political reasons."

Block Quotes:

11. "Haughty Answer to Pakistan"

The independent, left-leaning Ha'aretz editorialized (4/25): "Pervez Musharraf, the President of Pakistan -- one of the most influential Muslim countries in the world, a historic ally of the United States and a close ally of Saudi Arabia -- is seeking to advance a diplomatic initiative for solving the Israeli-Palestinian conflict. The gist of his initiative, which has been coordinated with the leaders of Turkey, Malaysia, and Indonesia -- other non-Arab Muslim states -- expands the scope of the Arab initiative: diplomatic relations and normalization in exchange for a solution to the conflict. Musharraf is thus offering Israel a powerful incentive, under which not only 350 million Arabs, but some 1.25 billion Muslims, would cease to view Israel, at least officially, as an enemy that ought to be annihilated. This is the slow shift for which Israel has hoped ever since its founding. But it seems that Israel's government, and particularly the man who heads it, would rather adopt the stance of a frightened man being assaulted by mediators than that of a statesman and initiator. Indeed, in response to Musharraf's initiative, Ehud Olmert chose to mislead and evade.... Israel and the Palestinians need the services of every possible mediator, from near or far, in order to extricate them from the maelstrom that is dragging them toward a diplomatic and military abyss. Such mediators would replace the language of threats with the language of diplomacy and politics. Musharraf is a leader who, in his own country, is confronting radical Muslim groups that attack him over his pro-American policies and his struggle against schools run by Islamic extremists. And leaders of this nature are essential mediators. His initiative and daring deserve much more than the arrogance with which they were met by the Prime Minister."

II. "The Inevitable War"

Military correspondent Amos Harel and Palestinian affairs correspondent Avi Issacharoff wrote in Ha'aretz (4/25): "Olmert will remain unenthusiastic about a large-scale operation in Gaza even after the report of the Winograd [Commission investigating the Second Lebanon War] is published. But for years, Israel's response to Palestinian attacks has been based on one thing only: the attacks' results. A successful kidnapping, or a Qassam rocket that causes multiple deaths, will hasten the decision to act..... Meanwhile, the army is preparing, and on a scale that some liken to the preparations preceding the first Lebanon War in 1982. In Israel, such preparations tend to be self-fulfilling prophecies.... [The Palestinian unity] government has not managed to end the bloody gang wars in Gaza, nor has it ended the Hamas-Fatah rivalry: Both sides are busily arming and recruiting in preparation for renewed infighting. It seems the only thing that can save the Gazans from civil war is a large-scale Israeli military operation."

III. "Searching for a Cause for War"

Military correspondent Amir Rappaport wrote in the popular, pluralist Maariv (4/25): "Israel and Hamas have embarked on a collision course. We can only hope that if the IDF is sent to a large-scale ground operation in the Gaza Strip, an operation that could cost many casualties, this will not be for political reasons. On paper, both sides have an interest in a large-scale confrontation. In Hamas, a sharp internal debate is taking place between elements who are interested in extending the cease-fire and the military wing members, who wish to renew the terror attacks immediately. The latest events prove that the second group has gained the upper hand, and in any case, it is the one determining the rules of the game. Israel, for its part, has been searching for several weeks for reasons to 'incriminate' Hamas.... In any case, it would appear that a large-scale IDF operation in the Gaza Strip is approaching.... Besides, the IDF has a feeling that the Second Lebanon War was a severe failure, which stemmed first and foremost from incorrect management of the war. If another opportunity is only granted for a major operation, this time on the Palestinian front, military officials believe that it will be possible to correct the impression and present the IDF as a winning army once again.... Most of the considerations in favor or against a large-scale ground operation in the Gaza Strip are legitimate, but there is one consideration that could influence [the decision], and is completely illegitimate: A large operation in Gaza could also be the result of Prime Minister Ehud Olmert's desire to gain renewed public sympathy and improve his political standing. In the discussion that will be held today, proposed reactions may be raised by the IDF that do not necessarily include an immediate, large-scale operation deep inside Gaza (for example, renewing the assassination policy of Hamas leaders). But when a large-scale operation is on the agenda, the political consideration must not be the deciding one."

12. US-Israel Relations:

Summary:

Washington correspondent Shmuel Rosner wrote in the independent, left-leaning Ha'aretz: "The feeling that there is perfect policy coordination between Israel and the US is slowly eroding. And that is precisely what the Americans want to happen."

Block Quotes:

"The End of the Era of Perfect Coordination"

Washington correspondent Shmuel Rosner wrote in the independent, left-leaning Ha'aretz (4/25): "The feeling that there is perfect policy coordination between Israel and the US is slowly eroding. And that is precisely what the Americans want to happen.... In any case, two years remain for the Bush administration, and as the

President becomes weaker, [Condoleezza] Rice and [Robert] Gates are gaining prominence: She is building up experience and confidence, including international amity, and he is being viewed as a savior following the term of his predecessor, Donald Rumsfeld. In Israel, no great fondness or strong emotional attachment has been detected in them. They look at Israel through different eyes than those of Bush -- more similar to those of Bush the father. They also identify the weakness of Prime Minister Ehud Olmert as an opportunity: even if he wants to, it is doubtful whether he would dare or be able to stand in their way. Therefore, Rice and Gates are less concerned about whether disagreements with Israel come to fore. Moreover, when disagreements do surface, they will serve their purposes well: to strengthen trust in the Arab world in order to mobilize assistance for America's No. 1 mission: to depart from Iraq, but not with its tail between its legs and without intolerably strengthening Iran. And if a Palestinian state results from this, it would also be okay from their perspective."

JONES